CERAMIC MANIFESTO

24-29

ENSURING EUROPE’S SUSTAINABILITY WITH CERAMIC MANUFACTURING
Deeply rooted in Europe

No other industry has a heritage that goes as far back as ceramics. Bronze age pottery, Roman aqueducts and medieval roof tiles are but a few examples that show both our history and the durability of our products.

Today, Europe is the world leader in high quality and strategic ceramic products such as wall and floor tiles, bricks and roof tiles, sanitary ware, tableware, vitreous clay pipes or refractory ceramics for most high temperature processes, or advanced ceramics for transport, defence, medical devices and other value chains.

The ceramic industry is mainly SME driven and provides local jobs and local value creation.

Why ceramics matter

€37 billion
Production value

200,000
direct employment

€5.3 billion
positive trade balance

CERAMIC APPLICATIONS

Aerospace

Construction

Defence

Industrial applications

Security

Consumer goods

Transport

Household appliances

Electronics

Renewable technologies

Healthcare
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The role of EU policy

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No wishful thinking - effective support for technology readiness and green energy infrastructure is a key requirement

The green transition and the sustainable decarbonisation pathway of the ceramic sector as described in the “Ceramic Roadmap to 2050 – Continuing our path towards climate neutrality”, needs to be acknowledged. The current EU decarbonisation target for 2030 requires technologies, infrastructure and decarbonised energy sources that might become reality in the future but are not available in the short term.

No unilateral policies without considering the bigger picture

In parallel, the implementation of unilateral climate policies without assessing the social and economic sustainability of the decarbonisation pathway, has left the industry without any real possibility of significant short-term progress on decarbonisation. This leads to an increase in costs for European companies and, thus, a loss of international competitiveness.
8 Action Areas

We have identified 8 action areas where European and national policies can help shape a sustainable European ceramics sector.

An EU wide and ambitious industrial policy
A fundamental shift in the EU’s approach is required for the industry to overcome the loss of competitiveness on global markets and maintain its production in Europe.

How can policy help?
- Restore and promote medium to long term regulatory predictability and stability
- Introduce an industrial chapter in the 2040 EU climate targets
- Develop strategies for gas intensive industries that are mostly composed of SMEs
- Work on the simplification of administrative and reporting requirements, particularly for SMEs, and set KPI’s for reducing regulatory time and cost burdens for companies

Climate policy for manufacturing
The EU Emissions Trading System (ETS) is not an effective driver of green innovation for the European ceramic sector. The required green energy is not yet available and whilst research is ongoing, several other measures will require time to be developed and tested. While the ceramics sector is recognised as being at risk of relocation, the current ETS system penalises best performers and does not provide any support for electrification.

How can policy help?
- Reform the ETS to incentivise growth in manufacturing while promoting decarbonisation
- Guarantee continued and strengthened carbon leakage protection
- Expand access to equivalent measures for small emitters (i.e. opt-out) to support SMEs
- Urgently review the EU ETS State Aid Guidelines to enable indirect cost compensation to sectors with the potential for electrification and eliminate penalties for cogeneration
- Make Carbon Contracts for Difference (CCfDs) available to EU ceramics
- Do not extend the scope of the Carbon Border Adjustment Mechanism (CBAM) to additional sectors without sectoral consultations and a proper impact assessment
- Guarantee export adjustments under the CBAM to allow EU producers to remain competitive in export markets
- Ban non-obliged entities to make speculative manoeuvres on EUAs
- Secure EU wide carbon leakage measures for smaller installations under the new ETS 2
- Reduce the cost burden of decarbonisation through sector specific funding for ceramic green transition projects
Energy resources and infrastructure for manufacturing

The ceramic industry is ready to switch to carbon neutral energy. However, green hydrogen, green electricity or biogas are currently not available at competitive prices or do not have sufficient distribution network and storage capacities in all EU Member States (as identified in the Ceramic Roadmap to 2050 – Continuing our path towards climate neutrality).

How can policy help?

➔ Provide secure access to green energy sources at competitive prices, and significantly increase the available quantities
➔ Guarantee equal access to green hydrogen for all end-users and support OPEX for on-site production
➔ Secure robust and reliable electricity grid capacity for industrial consumers
➔ Introduce new State Aid guidelines for the energy transition of gas intensive sectors (covering projects facilitating the electrification of installations and giving gas-intensive sectors access to decarbonised energy sources, including green electricity & technologies)
➔ Facilitate a genuine and effective single European energy market, including hydrogen and existing options such as natural gas, overcoming tariff barriers between Member States
➔ Improve the possibility, especially for SMEs, of access to Power Purchase Agreements (PPAs)
➔ Facilitate permitting process for green investments
➔ Guarantee better crisis response mechanisms
➔ Avoid additional energy taxation for mineralogical processes under the Energy Taxation Directive

Promote sustainable and affordable buildings

Ceramic construction materials are key for both new buildings and renovating the existing building stock. They are pivotal to make buildings energy-efficient, CO₂ neutral, circular, long-lasting, healthy (indoor air quality) and comfortable. Furthermore, they can ensure fire and flood protection, and make housing affordable

How can policy help?

➔ Ensure the adoption of material-neutral policies for construction considering the full life-cycle assessment at building level, including the long lifespan of ceramic construction materials which reduces maintenance as well as the durability of ceramic products for circular buildings
➔ Ensure a level playing field between new and reused products when it comes to technical performance, certification, and standards
➔ Promote long-lasting, reusable, and recyclable construction products, such as ceramic construction products for circular buildings (ceramic construction materials can have a lifespan of more than 100 years)
➔ Recycled materials from own production processes (i.e., grinded scrap) as well as other material streams substituting primary raw materials should be considered as non-primary raw materials and included in the definition of secondary raw materials

Environmental protection, health & safety and sustainable finance

By committing to using the Best Available Technologies to reduce all forms of pollution, European ceramics ensure the health and safety of our workers, customers and citizens.

How can policy help?

➔ Ensure a revised Ceramic Best Available Techniques Reference Document (BRef) under the revised Industrial Emissions Directive with realistic emissions limit values
➔ Apply realistic limit values for Respirable Crystalline Silica (RCS) ensuring the health and safety of workers
➔ Ensure a fit for industry REACH Revision notably by ensuring that the intermediates definition can still be applied to industry
➔ Guarantee that the Ceramic food contact materials revised legislation safeguards consumers and employers’ protection by setting research-backed limits
➔ Adapt recycling and collection systems to the waste streams and the quantity of waste available in a cost-effective way
➔ Simplify the access to sustainable finance with ad-hoc training for investors and the adoption of realistic criteria in SME financial systems
➔ Adopt realistic and achievable EU Taxonomy Technical Screening Criteria to encourage sustainable practices in the industry
➔ Adopt harmonised EU end-of-waste criteria for ceramic construction products
Ensuring a level playing field through effective trade policy and a functioning internal market
To maintain the competitiveness of the industry, which in 2022 had a positive trade balance of €5.3bn, a rules-based international order remains crucial to ensure that all EU producers can benefit from a global level playing field.

How can policy help?
→ **Promote free trade** by ensuring fair access to extra-EU markets by removing tariff and non-tariff barriers. Advance the EU FTA agenda with key partners and diversify the source of critical raw materials
→ **Ensure fair trading practices** by rapidly implementing trade defence measures to fight unfair trading practices in third countries
→ **Harmonise the internal market** by improving the harmonisation of packaging and labelling requirements in all EU Member States
→ Keep “enforcement” high on the agenda, and restore the long-term practice of designating a “Trade Commissioner” and increase the resources in the DG Trade’s Trade Defence department to ensure that appropriate measures are implemented in a timely manner
→ Introduce new trade instruments ensuring compliance of imports with EU quality, safety, environmental and social standards

Effective support for Research & Innovation for all ceramic producers
Access to European funds in R&I is becoming increasingly difficult for SME-focused and heterogeneous industrial sectors such as ceramics.

How can policy help?
→ Develop dedicated funds reserved for specific industries such as ceramics
→ Promote simplified application processes and easier access to EU funding programmes
→ Increase funding for R&I projects above TRL5 more likely to lead to large-scale deployment
→ Set realistic emission reduction requirements (under the ETS Innovation fund) in the open calls, since the technologies needed to achieve the requested goals, are not yet available in the market

Skills for manufacturing
A just transition to a climate-neutral, resilient economy can only be achieved by providing citizens with the necessary skill sets and qualifications for future job profiles.

How can policy help?
→ Access to simplified funding opportunities to support the upskilling & reskilling
→ Alignment between Academia curricula and skills requirements of EU manufacturing
→ Stronger collaboration opportunities between industry, research & training institutes
→ Positive communication and promotion of EU manufacturing industries to younger people

EUROPEAN PARLIAMENT CERAMICS FORUM – JOIN NOW!
The European Parliament Ceramics Forum (EPCF), which dates back to the 1994-1999 EP, is a cross-party discussion group whose aim is to facilitate dialogue between the European Institutions and the ceramic industry, on all relevant policy developments. EPCF participants include Members of the European Parliament, officials from the European Commission, representatives from the European ceramic industry and trade unions.

For more information on how to become involved, please visit [www.epcf.eu](http://www.epcf.eu)